

DIVISION K—VETERANS AFFAIRS AND HOUS-  
ING AND URBAN DEVELOPMENT, AND  
INDEPENDENT AGENCIES APPROPRIA-  
TIONS, 2003

Making appropriations for the Departments of Veterans  
Affairs and Housing and Urban Development, and  
for sundry independent agencies, boards, commis-  
sions, corporations, and offices for the fiscal year  
ending September 30, 2003, and for other purposes.

That the following sums are appropriated, out of any  
money in the Treasury not otherwise appropriated, for the  
Departments of Veteran Affairs and Housing and Urban (S)  
Development, and for sundry independent agencies,  
boards, commissions, corporations, and offices for the fis-  
cal year ending September 30, 2003, and for other pur-  
poses, namely:

TITLE I—DEPARTMENT OF VETERANS AFFAIRS

VETERANS BENEFITS ADMINISTRATION

COMPENSATION AND PENSIONS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation benefits to or on  
behalf of veterans and a pilot program for disability ex-  
aminations as authorized by law (38 U.S.C. 107, chapters  
11, 13, 18, 51, 53, 55, and 61); pension benefits to or  
on behalf of veterans as authorized by law (38 U.S.C.  
chapters 15, 51, 53, 55, and 61; 92 Stat. 2508); and bur-

ial benefits, emergency and other officers' retirement pay, adjusted-service credits and certificates, payment of premiums due on commercial life insurance policies guaranteed under the provisions of article IV of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 540 et seq.) and for other benefits as authorized by law (38 U.S.C. 107, 1312, 1977, and 2106, chapters 23, 51, 53, 55, and 61; 50 U.S.C. App. 540-548; 43 Stat. 122, 123; 45 Stat. 735; 76 Stat. 1198), \$28,949,000,000, to remain available until expended: *Provided*, That not to exceed \$17,138,000 of the amount appropriated under this heading shall be reimbursed to "General operating expenses" and "Medical care" for necessary expenses in implementing those provisions authorized in the Omnibus Budget Reconciliation Act of 1990, and in the Veterans' Benefits Act of 1992 (38 U.S.C. chapters 51, 53, and 55), the funding source for which is specifically provided as the "Compensation and pensions" appropriation: *Provided further*, That such sums as may be earned on an actual qualifying patient basis, shall be reimbursed to "Medical facilities revolving fund" to augment the funding of individual medical facilities for nursing home care provided to pensioners as authorized.

#### READJUSTMENT BENEFITS-

For the payment of readjustment and rehabilitation benefits to or on behalf of veterans as authorized by law

(38 U.S.C. chapters 21, 30, 31, 34, 35, 36, 39, 51, 53, 55, and 61), \$2,264,808,000, to remain available until expended: *Provided*, That expenses for rehabilitation program services and assistance which the Secretary is authorized to provide under section 3104(a) of title 38, United States Code, other than under subsection (a)(1), (2), (5), and (11) of that section, shall be charged to this account.

#### VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance, national service life insurance, servicemen's indemnities, service-disabled veterans insurance, and veterans mortgage life insurance as authorized by 38 U.S.C. chapter 19; 70 Stat. 887; 72 Stat. 487, \$27,530,000, to remain available until expended.

#### VETERANS HOUSING BENEFIT PROGRAM FUND PROGRAM

##### ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

For the cost of direct and guaranteed loans, such sums as may be necessary to carry out the program, as authorized by 38 U.S.C. chapter 37, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That during fiscal year 2003, within the resources available, not to exceed \$300,000 in gross obligations for

direct loans are authorized for specially adapted housing loans.

In addition, for administrative expenses to carry out the direct and guaranteed loan programs, \$168,207,000, which may be transferred to and merged with the appropriation for "General operating expenses".

EDUCATION LOAN FUND PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$1,000, as authorized by 38 U.S.C. 3698, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$3,400.

In addition, for administrative expenses necessary to carry out the direct loan program, \$70,000, which may be transferred to and merged with the appropriation for "General operating expenses".

VOCATIONAL REHABILITATION LOANS PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

For the cost of direct loans, \$55,000, as authorized by 38 U.S.C. chapter 31, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That funds made

available under this heading are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$3,626,000.

In addition, for administrative expenses necessary to carry out the direct loan program, \$289,000, which may be transferred to and merged with the appropriation for "General operating expenses".

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM

ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For administrative expenses to carry out the direct loan program authorized by 38 U.S.C. chapter 37, subchapter V, as amended, \$558,000, which may be transferred to and merged with the appropriation for "General operating expenses": *Provided*, That no new loans in excess of \$5,000,000 may be made in fiscal year 2003.

GUARANTEED TRANSITIONAL HOUSING LOANS FOR

HOMELESS VETERANS PROGRAM ACCOUNT

For the administrative expenses to carry out the guaranteed transitional housing loan program authorized by 38 U.S.C. chapter 37, subchapter VI, not to exceed \$750,000 of the amounts appropriated by this Act for "General operating expenses" and "Medical care" may be expended.

## VETERANS HEALTH ADMINISTRATION

## MEDICAL CARE

~~(INCLUDING TRANSFER OF FUNDS)~~ 

For necessary expenses for the maintenance and operation of hospitals, nursing homes, and domiciliary facilities; for furnishing, as authorized by law, inpatient and outpatient care and treatment to beneficiaries of the Department of Veterans Affairs, including care and treatment in facilities not under the jurisdiction of the department; and furnishing recreational facilities, supplies, and equipment; funeral, burial, and other expenses incidental thereto for beneficiaries receiving care in the department; administrative expenses in support of planning, design, project management, real property acquisition and disposition, construction and renovation of any facility under the jurisdiction or for the use of the department; oversight, engineering and architectural activities not charged to project cost; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the department, not otherwise provided for, either by contract or by the hire of temporary employees and purchase of materials; uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; aid to State homes as authorized by 38 U.S.C. 1741; administrative and legal expenses of the department for collecting and recovering amounts owed the department as authorized

under 38 U.S.C. chapter 17, and the Federal Medical Care Recovery Act, 42 U.S.C. 2651 et seq., \$23,889,304,000, plus reimbursements: *Provided*, That, notwithstanding any other provision of law, the Secretary of Veterans Affairs may establish a priority for treatment for veterans who are service-connected disabled, lower income, or have special needs: *Provided further*, That of the funds made available under this heading, not to exceed \$900,000,000 shall be available until September 30, 2004: *Provided further*, That the Secretary of Veterans Affairs shall conduct by contract a program of recovery audits for the fee basis and other medical services contracts with respect to payments for hospital care; and, notwithstanding 31 U.S.C. 3302(b), amounts collected, by setoff or otherwise, as the result of such audits shall be available, without fiscal year limitation, for the purposes for which funds are appropriated under this heading and the purposes of paying a contractor a percent of the amount collected as a result of an audit carried out by the contractor: *Provided further*, That all amounts so collected under the preceding proviso with respect to a designated health care region (as that term is defined in 38 U.S.C. 1729A(d)(2)) shall be allocated, net of payments to the contractor, to that region.

MEDICAL CARE COLLECTIONS FUND  
(INCLUDING TRANSFER OF FUNDS)

Amounts deposited during the current fiscal year in the Department of Veterans Affairs Medical Care Collections Fund under section 1729A of title 38, United States Code, may be transferred to "Medical care", to remain available until expended.

MEDICAL AND PROSTHETIC RESEARCH  
(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out programs of medical and prosthetic research and development as authorized by 38 U.S.C. chapter 73, to remain available until September 30, 2004, \$400,000,000, plus reimbursements: *Provided*, That of the funds available under this heading \$5,000,000 shall be transferred to "Medical care" for research oversight activities.

MEDICAL ADMINISTRATION AND MISCELLANEOUS  
OPERATING EXPENSES

For necessary expenses in the administration of the medical, hospital, nursing home, domiciliary, construction, supply, and research activities, as authorized by law; administrative expenses in support of capital policy activities, ~~\$77,716,000~~, of which \$3,000,000 shall be available until September 30, 2004, plus reimbursements: *Provided*, That technical and consulting services offered by the Facilities Management Field Support Service, including

*(\$74,716,000)*



project management and real property administration (including leases, site acquisition and disposal activities directly supporting projects), shall be provided to Department of Veterans Affairs components only on a reimbursable basis, and such amounts will remain available until September 30, 2003.

#### DEPARTMENTAL ADMINISTRATION

##### GENERAL OPERATING EXPENSES

For necessary operating expenses of the Department of Veterans Affairs, not otherwise provided for, including administrative expenses in support of department-wide capital planning, management and policy activities, uniforms or allowances therefor; not to exceed \$25,000 for official reception and representation expenses; hire of passenger motor vehicles; and reimbursement of the General Services Administration for security guard services, and the Department of Defense for the cost of overseas employee mail, \$1,254,000,000: *Provided*, That expenses for services and assistance authorized under 38 U.S.C. 3104(a)(1), (2), (5), and (11) that the Secretary determines are necessary to enable entitled veterans: (1) to the maximum extent feasible, to become employable and to obtain and maintain suitable employment; or (2) to achieve maximum independence in daily living, shall be charged to this account: *Provided further*, That the Veterans Bene-

fits Administration shall be funded at not less than \$992,100,000: *Provided further*, That of the funds made available under this heading, not to exceed \$66,000,000 shall be available for obligation until September 30, 2004: *Provided further*, That from the funds made available under this heading, the Veterans Benefits Administration may purchase up to two passenger motor vehicles for use in operations of that Administration in Manila, Philippines: *Provided further*, That travel expenses for this account shall not exceed \$17,082,000.

#### NATIONAL CEMETERY ADMINISTRATION

For necessary expenses of the National Cemetery Administration for operations and maintenance, not otherwise provided for, including uniforms or allowances therefor; cemeterial expenses as authorized by law; purchase of one passenger motor vehicle for use in cemeterial operations; and hire of passenger motor vehicles, \$133,149,000, of which \$6,000,000 shall be available until September 30, 2004.

#### OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$58,000,000, to remain available until September 30, 2004.

## CONSTRUCTION, MAJOR PROJECTS

For constructing, altering, extending and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, and 8122 of title 38, United States Code, including planning, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, where the estimated cost of a project is \$4,000,000 or more or where funds for a project were made available in a previous major project appropriation, \$99,777,000, to remain available until expended, of which \$5,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities; and of which \$10,000,000 shall be to make reimbursements as provided in 41 U.S.C. 612 for claims paid for contract disputes: *Provided*, That except for advance planning activities, including needs assessments which may or may not lead to capital investments, and other capital asset management related activities, such as portfolio development and management activities, and investment strategy studies funded through the advance planning fund and the planning and

design activities funded through the design fund and CARES funds, including needs assessments which may or may not lead to capital investments, none of the funds appropriated under this heading shall be used for any project which has not been approved by the Congress in the budgetary process: *Provided further*, That funds provided in this appropriation for fiscal year 2003, for each approved project (except those for CARES activities referenced above) shall be obligated: (1) by the awarding of a construction documents contract by September 30, 2003; and (2) by the awarding of a construction contract by September 30, 2004: *Provided further*, That the Secretary of Veterans Affairs shall promptly report in writing to the Committees on Appropriations any approved major construction project in which obligations are not incurred within the time limitations established above: *Provided further*, That no funds from any other account except the "Parking revolving fund", may be obligated for constructing, altering, extending, or improving a project which was approved in the budget process and funded in this account until one year after substantial completion and beneficial occupancy by the Department of Veterans Affairs of the project or any part thereof with respect to that part only.

## CONSTRUCTION, MINOR PROJECTS

For constructing, altering, extending, and improving any of the facilities under the jurisdiction or for the use of the Department of Veterans Affairs, including planning and assessments of needs which may lead to capital investments, architectural and engineering services, maintenance or guarantee period services costs associated with equipment guarantees provided under the project, services of claims analysts, offsite utility and storm drainage system construction costs, and site acquisition, or for any of the purposes set forth in sections 316, 2404, 2406, 8102, 8103, 8106, 8108, 8109, 8110, 8122, and 8162 of title 38, United States Code, where the estimated cost of a project is less than \$4,000,000, \$226,000,000, to remain available until expended, along with unobligated balances of previous "Construction, minor projects" appropriations which are hereby made available for any project where the estimated cost is less than \$4,000,000, of which \$35,000,000 shall be for Capital Asset Realignment for Enhanced Services (CARES) activities: *Provided*, That from amounts appropriated under this heading, additional amounts may be used for CARES activities upon notification of and approval by the Committees on Appropriations: *Provided further*, That funds in this account shall be available for: (1) repairs to any of the nonmedical facili-

ties under the jurisdiction or for the use of the department which are necessary because of loss or damage caused by any natural disaster or catastrophe; and (2) temporary measures necessary to prevent or to minimize further loss by such causes.

#### PARKING REVOLVING FUND

For the parking revolving fund as authorized by 38 U.S.C. 8109, income from fees collected, to remain available until expended, which shall be available for all authorized expenses except operations and maintenance costs, which will be funded from "Medical care".

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#### GRANTS FOR CONSTRUCTION OF STATE EXTENDED CARE FACILITIES

For grants to assist States to acquire or construct State nursing home and domiciliary facilities and to remodel, modify or alter existing hospital, nursing home and domiciliary facilities in State homes, for furnishing care to veterans as authorized by 38 U.S.C. 8131-8137, \$100,000,000, to remain available until expended.

#### GRANTS FOR THE CONSTRUCTION OF STATE VETERANS CEMETERIES

For grants to aid States in establishing, expanding, or improving State veterans cemeteries as authorized by 38 U.S.C. 2408, \$32,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

(INCLUDING TRANSFER OF FUNDS)

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SEC. 101. Any appropriation for fiscal year 2003 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations.

SEC. 102. Appropriations available to the Department of Veterans Affairs for fiscal year 2003 for salaries and expenses shall be available for services authorized by 5 U.S.C. 3109.

SEC. 103. No appropriations in this Act for the Department of Veterans Affairs (except the appropriations for "Construction, major projects", "Construction, minor projects", and the "Parking revolving fund") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

SEC. 104. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or examination of any persons (except beneficiaries entitled under the laws bestowing such benefits to veterans, and persons receiving such treatment under 5 U.S.C. 7901-7904 or 42 U.S.C. 5141-5204), unless reimbursement of cost is made to the "Medical care" account at such rates as may be fixed by the Secretary of Veterans Affairs.

SEC. 105. Appropriations available to the Department of Veterans Affairs for fiscal year 2003 for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" shall be available for payment of prior year accrued obligations required to be recorded by law against the corresponding prior year accounts within the last quarter of fiscal year 2002.

SEC. 106. Appropriations accounts available to the Department of Veterans Affairs for fiscal year 2003 shall be available to pay prior year obligations of corresponding prior year appropriations accounts resulting from title X of the Competitive Equality Banking Act, Public Law 100-86, except that if such obligations are from trust fund accounts they shall be payable from "Compensation and pensions".

SEC. 107. Notwithstanding any other provision of law, during fiscal year 2003, the Secretary of Veterans Affairs shall, from the National Service Life Insurance Fund (38 U.S.C. 1920), the Veterans' Special Life Insurance Fund (38 U.S.C. 1923), and the United States Government Life Insurance Fund (38 U.S.C. 1955), reimburse the "General operating expenses" account for the cost of administration of the insurance programs financed through those accounts: *Provided*, That reimbursement shall be made only from the surplus earnings accumulated



in an insurance program in fiscal year 2003 that are available for dividends in that program after claims have been paid and actuarially determined reserves have been set aside: *Provided further*, That if the cost of administration of an insurance program exceeds the amount of surplus earnings accumulated in that program, reimbursement shall be made only to the extent of such surplus earnings: *Provided further*, That the Secretary shall determine the cost of administration for fiscal year 2003 which is properly allocable to the provision of each insurance program and to the provision of any total disability income insurance included in such insurance program.

SEC. 108. Notwithstanding any other provision of law, the Department of Veterans Affairs shall continue the Franchise Fund pilot program authorized to be established by section 403 of Public Law 103-356 until October 1, 2003: *Provided*, That the Franchise Fund, established by title I of Public Law 104-204 to finance the operations of the Franchise Fund pilot program, shall continue until October 1, 2003.

SEC. 109. Amounts deducted from enhanced-use lease proceeds to reimburse an account for expenses incurred by that account during a prior fiscal year for providing enhanced-use lease services, may be obligated during the fiscal year in which the proceeds are received.

SEC. 110. Funds available in any Department of Veterans Affairs appropriation for fiscal year 2003 or funds for salaries and other administrative expenses shall also be available to reimburse the Office of Resolution Management and the Office of Employment Discrimination Complaint Adjudication for all services provided at rates which will recover actual costs but not exceed \$29,318,000 for the Office of Resolution Management and \$3,010,000 for the Office of Employment and Discrimination Complaint Adjudication: *Provided*, That payments may be made in advance for services to be furnished based on estimated costs: *Provided further*, That amounts received shall be credited to "General operating expenses" for use by the office that provided the service.

SEC. 111. No appropriations in this Act for the Department of Veterans Affairs shall be available to enter into any new lease of real property if the estimated annual rental is more than \$300,000 unless the Secretary submits a report which the Committees on Appropriations of the Congress approve within 30 days following the date on which the report is received.

SEC. 112. No appropriations in this Act for the Department of Veterans Affairs shall be available for hospitalization or treatment of any person by reason of eligibility under section 1710(a)(3) of title 38, United States

Code, unless that person has disclosed to the Secretary of Veterans Affairs, in such form as the Secretary may require—

(1) current, accurate third-party reimbursement information for purposes of section 1729 of such title; and

(2) annual income information for purposes of section 1722 of such title.

SEC. 113. (a)(1) Section 1729B of title 38, United States Code, is repealed. Any balance as of the date of the enactment of this Act in the Department of Veterans Affairs Health Services Improvement Fund established under such section shall be transferred to the Department of Veterans Affairs Medical Care Collections Fund established under section 1729A of title 38, United States Code.

(2) The table of sections at the beginning of chapter 17 of such title is amended by striking the item relating to section 1729B.

(b) Section 1729A(b) of such title is amended—

(1) by redesignating paragraph (8) as paragraph (10); and

(2) by inserting after paragraph (7) the following new paragraphs:

“(8) Section 8165(a) of this title.

“(9) Section 113 of the Veterans Millennium Health Care and Benefits Act (Public Law 106–117; 38 U.S.C. 8111 note).”.

(c) Section 1722A of such title is amended—

(1) in subsection (c)—

(A) in the first sentence, by striking “under subsection (a)” and inserting “under this section”; and

(B) by striking the second sentence; and

(2) by striking subsection (d).

(d)(1) Section 8165 of such title is amended by striking “Department of Veterans Affairs Health Services Improvement Fund established under section 1729B of this title” and inserting “Department of Veterans Affairs Medical Care Collections Fund established under section 1729A of this title”.

(2) Section 113(b) of the Veterans Millennium Health Care and Benefits Act (Public Law 106–117; 38 U.S.C. 8111 note) is amended by striking “Department of Veterans Affairs Health Services Improvement Fund established under section 1729B of title 38, United States Code, as added by section 202” and inserting “Department of Veterans Affairs Medical Care Collections Fund established under section 1729A of title 38, United States Code”.

SEC. 114. Of the amounts provided in this Act, \$19,900,000 shall be for information technology initiatives to support the enterprise architecture of the Department of Veterans Affairs.

SEC. 115. None of the funds in this Act may be used to implement ~~the provisions of Public Law 107-287, except those activities authorized under section 3 and section 4.~~ *(sections 2 and 5)*

SEC. 116. Notwithstanding any other provision of this Act, the \$23,889,304,000 provided for *(11)* Medical care *(11)* under this title shall be exempt from the across-the-board rescission under section 601 of division N.

## TITLE II—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

### PUBLIC AND INDIAN HOUSING

#### HOUSING CERTIFICATE FUND

(INCLUDING TRANSFER AND RESCISSION OF FUNDS)

For activities and assistance under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.) (“the Act” herein), not otherwise provided for, \$17,223,566,000, and amounts that are recaptured in this account, to remain available until expended: *Provided*, That of the amounts made available under this heading, \$13,023,566,000 and the aforementioned recaptures shall be available on October 1, 2002 and \$4,200,000,000 shall be available on October 1, 2003: *Provided further*, That

amounts made available under this heading are provided as follows:

(1) \$15,278,370,500 for expiring or terminating section 8 project-based subsidy contracts (including section 8 moderate rehabilitation contracts), for amendments to section 8 project-based subsidy contracts, for contracts entered into pursuant to section 441 of the McKinney-Vento Homeless Assistance Act, for the 1-year renewal of section 8 contracts for units in projects that are subject to approved plans of action under the Emergency Low Income Housing Preservation Act of 1987 or the Low-Income Housing Preservation and Resident Homeownership Act of 1990, and for renewals of expiring section 8 tenant-based annual contributions contracts (including amendments and renewals of enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act (42 U.S.C. 1437f(t))): *Provided*, That notwithstanding any other provision of law, the Secretary shall renew expiring section 8 tenant-based annual contributions contracts for each public housing agency (including for agencies participating in the Moving to Work demonstration, unit months representing section 8 tenant-based assistance funds

committed by the public housing agency for specific purposes, other than reserves, that are authorized pursuant to any agreement and conditions entered into under such demonstration, and utilized in compliance with any applicable program obligation deadlines) based on the total number of unit months which were under lease as reported on the most recent end-of-year financial statement submitted by the public housing agency to the Department, adjusted by such additional information submitted by the public housing agency to the Secretary which the Secretary determines to be timely and reliable regarding the total number of unit months under lease at the time of renewal of the annual contributions contract, and by applying an inflation factor based on local or regional factors to the actual per unit cost as reported on such statement: *Provided further*, That none of the funds made available in this paragraph may be used to support a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract;

(2) \$391,922,000 for a central fund to be allocated by the Secretary for amendments to section 8 tenant-based annual contributions contracts for such purposes set forth in this paragraph: ~~*Provided, That*~~

Insert  
23A

23 A

*Provided*, That subject to the following proviso, the Secretary may use amounts made available in such fund, as necessary, for contract amendments resulting from a significant increase in the per unit cost of vouchers or an increase in the total number of unit months under lease as compared to the per unit cost or the total number of unit months provided for by the annual contributions contract: *Provided further*, That if a public housing agency, at any point in time during their fiscal year, has obligated the amounts made available to such agency pursuant to paragraph (1) under this heading for the renewal of expiring section 8 tenant-based annual contributions contracts, and if such agency has expended fifty percent of the amounts available to such agency in its annual contributions contract reserve account, the Secretary shall make available such amounts as are necessary from amounts available from such central fund to fund amendments under the preceding proviso within thirty days of a request from such agency :

23 A



the Secretary may use amounts made available in such fund, as necessary, for contract amendments resulting from a significant increase in the per unit cost of vouchers or an increase in the total number of unit months under lease as compared to the per unit cost or the total number of unit months provided for by the annual contributions contract: *Provided further*, That the Secretary shall make available such amounts as necessary from such fund within thirty days of a request from a public housing agency which has obligated all amounts made available to such agency in paragraph (1) under this heading and which has expended fifty percent of the amounts available to such agency in its annual contributions contract reserve account: *Provided further*,

That none of the funds made available in this paragraph may be used to support a total number of unit months under lease which exceeds a public housing agency's authorized level of units under contract: *Provided further*, That the Secretary shall provide quarterly reports to the Committees on Appropriations of the House and the Senate on the obligation of funds provided in this paragraph in accordance with the directions specified in the joint explanatory statement of the managers accompanying this Act;

(3) \$234,016,500 for section 8 rental assistance for relocation and replacement of housing units that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104-134), conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act (42 U.S.C.1437f(t)), and tenant protection assistance, including replacement and relocation assistance;

(4) \$48,000,000 for family self-sufficiency coordinators under section 23 of the Act;

(5) not to exceed \$1,072,257,000 for administrative and other expenses of public housing agencies in administering the section 8 tenant-based rental assistance program, of which \$69,547,000 is for such expenses associated with section 8 tenant-based assistance provided under this heading in paragraphs (2) and (3): *Provided, That,* the fee otherwise authorized under section 8(q) of the Act shall

be determined in accordance with section 8(q), as in effect immediately before the enactment of the Quality Housing and Work Responsibility Act of 1998: *Provided further*, That none of the funds made available in this paragraph shall be provided to any public housing agency unless such agency reports to the Secretary the amounts remaining available as of January 31, 2003 in such agency's administrative reserve fee account: *Provided further*, That, notwithstanding any other provision of law or regulation, the amount of fiscal year 2003 fee payments otherwise authorized pursuant to the first proviso in this paragraph for a public housing agency shall be reduced accordingly by any such amounts remaining in such agency's administrative fee reserve account as of January 31, 2003 which exceed 105 percent of the amount of fees paid to such agency from funds made available in fiscal year 2002: *Provided further*, That, hereafter, the Secretary shall recapture any funds provided in this paragraph from a public housing agency which are in excess of the amounts expended by such agency for the section 8 tenant-based rental assistance program and not otherwise needed to maintain an administrative fee reserve account balance of not to exceed five percent: *Provided*

Insert 26A

26A

*Provided further,* That the preceding proviso shall not apply to any public housing agency if the amount of fiscal year 2003 fee payments otherwise authorized to be provided to such agency pursuant to the first proviso in this paragraph does not exceed \$100,000:

26A

*further*, That the Secretary shall provide a report to the Committees on Appropriations of the House of Representatives and the Senate no later than ~~May~~ <sup>(July 1</sup> ~~15~~, 2003, on the administrative costs and other expenses associated with the section 8 tenant-based rental assistance program in accordance with the directions included in the statement of the managers accompanying this conference report;

(6) \$196,000,000 for contract administrators for section 8 project-based assistance; and

(7) not less than \$3,000,000 shall be transferred to the Working Capital Fund for the develop<sup>(ment</sup> of and modifications to information technology systems which serve activities under "Public and Indian Housing": *Provided*, That the Secretary may transfer up to 15 percent of funds provided under paragraphs (1), (2) or (5), herein to paragraphs (1), (2) or (5), if the Secretary determines that such action is necessary because the funding provided under one such paragraph otherwise would be depleted and as a result, the maximum utilization of section 8 tenant-based assistance with the funds appropriated for this purpose by this Act would not be feasible: *Provided further*, That prior to undertaking the transfer of funds in excess of 10 percent from any paragraph

pursuant to the previous proviso, the Secretary shall notify the Chairman and Ranking Member of the Subcommittees on Veterans Affairs and Housing and Urban Development, and Independent Agencies of the Committees on Appropriations of the House of Representatives and the Senate and shall not transfer any such funds until 30 days after such notification: *Provided further*, That, hereafter, the Secretary shall require public housing agencies to submit accounting data for funds disbursed under this heading in this Act and prior Acts by source and purpose of such funds: *Provided further*, That incremental vouchers previously made available under this heading for non-elderly disabled families shall, to the extent practicable, continue to be provided to non-elderly disabled families upon turnover: *Provided further*, That \$1,600,000,000 is rescinded from unobligated balances remaining from funds appropriated to the Department of Housing and Urban Development under this heading or the heading "Annual contributions for assisted housing" or any other heading for fiscal year 2002 and prior years, to be effected by the Secretary no later than September 30, 2003: *Provided further*, That any such balances governed by reallocation provisions under

the statute authorizing the program for which the funds were originally appropriated shall be available for the rescission: *Provided further*, That any obligated balances of contract authority from fiscal year 1974 and prior that have been terminated shall be cancelled.

PUBLIC HOUSING CAPITAL FUND

(INCLUDING TRANSFERS OF FUNDS)

For the Public Housing Capital Fund Program to carry out capital and management activities for public housing agencies, as authorized under section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), \$2,730,000,000 (the "Act"), to remain available until September 30, 2006: *Provided*, That of the total amount provided under this heading, in addition to amounts otherwise allocated under this heading, \$447,000,000 shall be allocated for such capital and management activities only among public housing agencies that have obligated all assistance for the agency for fiscal years 1998, 1999, 2000, and 2001 made available under this same heading in accordance with the requirements under paragraphs (1) and (2) of section 9(j) of such Act: *Provided further*, That notwithstanding any other provision of law or regulation, during fiscal year 2003, the Secretary may not delegate to any Department official other than the Deputy Secretary any authority under paragraph

(2) of such section 9(j) regarding the extension of the time periods under such section for obligation of amounts made available for fiscal year 1998, 1999, 2000, 2001, 2002, or 2003: *Provided further*, That with respect to any amounts made available under the public housing Capital Fund for fiscal year 1999, 2000, 2001, 2002, or 2003 that remain unobligated in violation of paragraph (1) of such section 9(j) or unexpended in violation of paragraph (5)(A) of such section 9(j), the Secretary shall recapture any such amounts and reallocate such amounts among public housing agencies determined under 6(j) of the Act to be high-performing: *Provided further*, That for purposes of this heading, the term "obligate" means, with respect to amounts, that the amounts are subject to a binding agreement that will result in outlays immediately or in the future: *Provided further*, That the Secretary shall issue final regulations to carry out section 9(j) of the United States Housing Act of 1937 (42 U.S.C. 1437g(j)), not later than August 1, 2003: *Provided further*, That of the total amount provided under this heading, up to \$51,000,000 shall be for carrying out activities under section 9(h) of such Act, of which up to \$11,000,000 shall be for the provision of remediation services to public housing agencies identified as "troubled" under the Section 8 Management Assessment Program and for surveys used



to calculate local Fair Market Rents and assess housing conditions in connection with rental assistance under section 8 of the Act: *Provided further*, That of the total amount provided under this heading, up to \$500,000 shall be for lease adjustments to section 23 projects, and no less than \$18,600,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Public and Indian housing": *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended: *Provided further*, That of the total amount provided under this heading, up to \$50,000,000 shall be available for the Secretary of Housing and Urban Development to make grants to public housing agencies for emergency capital needs resulting from emergencies and natural disasters in fiscal year 2003: *Provided further*, That of the total amount provided under this heading, \$15,000,000 shall be for Neighborhood Networks grants for activities authorized in section 9(d)(1)(E) of the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis as provided in section 102 of the

Department of Housing and Urban Development Reform Act of 1989: *Provided further*, That of the total amount provided under this heading, \$55,000,000 shall be for supportive services, service coordinators and congregate services as authorized by section 34 of the Act and the Native American Housing Assistance and Self-Determination Act of 1996.

#### PUBLIC HOUSING OPERATING FUND

For payments to public housing agencies for the operation and management of public housing, as authorized by section 9(e) of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g(e)), \$3,600,000,000: *Provided*, That of the total amount provided under this heading, \$10,000,000 shall be for programs, as determined appropriate by the Attorney General, which assist in the investigation, prosecution, and prevention of violent crimes and drug offenses in public and federally-assisted low-income housing, including Indian housing, which shall be administered by the Department of Justice through a reimbursable agreement with the Department of Housing and Urban Development: *Provided further*, That up to \$250,000,000 shall be made available for payments to public housing agencies that are eligible for additional funds in fiscal year 2002 for the operation and management of public housing: *Provided further*, That no funds may be made available under this heading in fiscal year

(for  
payments)

2004 and subsequent fiscal years may be provided for fiscal year 2003 payments to public housing agencies for the operation and management of public housing: *Provided further*, That no funds may be used under this heading for the purposes specified in section 9(k) of the United States Housing Act of 1937, as amended.

REVITALIZATION OF SEVERELY DISTRESSED PUBLIC  
HOUSING (HOPE VI)

For grants to public housing agencies for demolition, site revitalization, replacement housing, and tenant-based assistance grants to projects as authorized by section 24 of the United States Housing Act of 1937, as amended, \$574,000,000, to remain available until September 30, 2004, of which the Secretary may use up to \$6,250,000 for technical assistance and contract expertise, to be provided directly or indirectly by grants, contracts or cooperative agreements, including training and cost of necessary travel for participants in such training, by or to officials and employees of the department and of public housing agencies and to residents: *Provided*, That none of such funds shall be used directly or indirectly by granting competitive advantage in awards to settle litigation or pay judgments, unless expressly permitted herein: *Provided further*, That of the total amount provided under this heading, \$5,000,000 shall be for a Neighborhood Networks initiative for activities authorized in section

24(d)(1)(G) of the United States Housing Act of 1937, as amended: *Provided further*, That notwithstanding any other provision of law, amounts made available in the previous proviso shall be awarded to public housing agencies on a competitive basis as provided in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

NATIVE AMERICAN HOUSING BLOCK GRANTS  
(INCLUDING TRANSFERS OF FUNDS)

For the Native American Housing Block Grants program, as authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), \$649,000,000, to remain available until expended, of which \$2,200,000 shall be contracted through the Secretary as technical assistance and capacity building to be used by the National American Indian Housing Council in support of the implementation of NAHASDA; of which \$4,000,000 shall be to support the inspection of Indian housing units, contract expertise, training, and technical assistance in the training, oversight, and management of Indian housing and tenant-based assistance, including up to \$300,000 for related travel; and of which no less than \$600,000 shall be transferred to the Working Capital Fund for development of and modifications to information technology systems which serve programs or activities under "Public and In-

dian housing”: *Provided*, That of the amount provided under this heading, \$2,000,000 shall be made available for the cost of guaranteed notes and other obligations, as authorized by title VI of NAHASDA: *Provided further*, That such costs, including the costs of modifying such notes and other obligations, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize the total principal amount of any notes and other obligations, any part of which is to be guaranteed, not to exceed \$16,658,000: *Provided further*, That for administrative expenses to carry out the guaranteed loan program, up to \$150,000 from amounts in the first proviso, which shall be transferred to and merged with the appropriation for “Salaries and expenses”, to be used only for the administrative costs of these guarantees.

INDIAN HOUSING LOAN GUARANTEE FUND PROGRAM

ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184 of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13a), \$5,300,000, to remain available until expended, of which \$100,000 shall be for necessary expenses of the Land Title Report Commission pursuant to section 501(a) of Public Law 106-569: *Provided*, That such costs, including the costs of modi-

fyng such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$197,243,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$200,000 from amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

NATIVE HAWAIIAN HOUSING LOAN GUARANTEE FUND

PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, as authorized by section 184A of the Housing and Community Development Act of 1992 (12 U.S.C. 1715z-13b), \$1,035,000, to remain available until expended: *Provided*, That such costs, including the costs of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$39,712,000.

In addition, for administrative expenses to carry out the guaranteed loan program, up to \$35,000 from

amounts in the first paragraph, which shall be transferred to and merged with the appropriation for "Salaries and expenses", to be used only for the administrative costs of these guarantees.

#### COMMUNITY PLANNING AND DEVELOPMENT

##### HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

For carrying out the Housing Opportunities for Persons with AIDS program, as authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901 et seq.), \$292,000,000, to remain available until September 30, 2004: *Provided*, That the Secretary shall renew all expiring contracts for permanent supportive housing that were funded under section 854(c)(3) of such Act that meet all program requirements before awarding funds for new contracts and activities authorized under this section: *Provided further*, That the Secretary may use up to \$2,000,000 of the funds under this heading for training, oversight, and technical assistance activities.

##### RURAL HOUSING AND ECONOMIC DEVELOPMENT

For the Office of Rural Housing and Economic Development in the Department of Housing and Urban Development, \$25,000,000 to remain available until expended, which amount shall be awarded by June 1, 2003, to Indian tribes, State housing finance agencies, State community and/or economic development agencies, local rural nonprofits and community development corporations

to support innovative housing and economic development activities in rural areas: *Provided*, That all grants shall be awarded on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

#### EMPOWERMENT ZONES/ENTERPRISE COMMUNITIES

For grants in connection with a second round of empowerment zones and enterprise communities, \$30,000,000, to remain available until September 30, 2005, for "Urban Empowerment Zones", as authorized in section 1391(g) of the Internal Revenue Code of 1986 (26 U.S.C. 1391(g)), including \$2,000,000 for each empowerment zone for use in conjunction with economic development activities consistent with the strategic plan of each empowerment zone.

#### COMMUNITY DEVELOPMENT FUND

##### (INCLUDING TRANSFERS OF FUNDS)

For assistance to units of State and local government, and to other entities, for economic and community development activities, and for other purposes, \$4,937,000,000, to remain available until September 30, 2005: *Provided*, That of the amount provided, \$4,367,930,000 is for carrying out the community development block grant program under title I of the Housing and Community Development Act of 1974, as amended (the "Act" herein) (42 U.S.C. 5301 et seq.): *Provided fur-*



*ther*, That not to exceed 20 percent of any grant made with funds appropriated under this heading (other than a grant made available in this paragraph to the Housing Assistance Council or the National American Indian Housing Council, or a grant using funds under section 107(b)(3) of the Act) shall be expended for "Planning and Management Development" and "Administration", as defined in regulations promulgated by the Department: *Provided further*, That \$71,000,000 shall be for grants to Indian tribes notwithstanding section 106(a)(1) of such Act; \$3,300,000 shall be for a grant to the Housing Assistance Council; \$2,400,000 shall be for a grant to the National American Indian Housing Council; \$5,000,000 shall be available as a grant to the National Housing Development Corporation, for operating expenses not to exceed \$2,000,000 and for a program of affordable housing acquisition and rehabilitation; \$5,000,000 shall be available as a grant to the National Council of La Raza for the HOPE Fund, of which \$500,000 is for technical assistance and fund management, and \$4,500,000 is for investments in the HOPE Fund and financing to affiliated organizations; \$49,100,000 shall be for grants pursuant to section 107 of the Act, ~~*Provided further, That*~~ \$9,000,000 shall be made available to the Neighborhood House, St. Paul, Minnesota for construction costs of the Paul and

Sheila Wellstone Center for Community Building; no less than \$3,400,000 shall be transferred to the Working Capital Fund for the development of and modification to information technology systems which serve programs or activities under "Community planning and development"; \$25,250,000 shall be for grants pursuant to the Self Help Homeownership Opportunity Program; \$32,500,000 shall be for capacity building, of which \$28,250,000 shall be for Capacity Building for Community Development and Affordable Housing for LISC and the Enterprise Foundation for activities as authorized by section 4 of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note), as in effect immediately before June 12, 1997, with not less than \$5,000,000 of the funding to be used in rural areas, including tribal areas, and of which \$4,250,000 shall be for capacity building activities administered by Habitat for Humanity International; \$60,000,000 shall be available for YouthBuild program activities authorized by subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act, as amended, and such activities shall be an eligible activity with respect to any funds made available under this heading: *Provided*, That local YouthBuild programs that demonstrate an ability to leverage private and nonprofit funding shall be given a priority for YouthBuild funding: *Provided further*, That no more

than 10 percent of any grant award under the YouthBuild program may be used for administrative costs: *Provided further*, That of the amount made available for YouthBuild not less than \$10,000,000 is for grants to establish YouthBuild programs in underserved and rural areas and \$2,000,000 is to be made available for a grant to YouthBuild USA for capacity building for community development and affordable housing activities as specified in section 4 of the HUD Demonstration Act of 1993, as amended.

Of the amount made available under this heading, \$42,120,000 shall be available for neighborhood initiatives that are utilized to improve the conditions of distressed and blighted areas and neighborhoods, to stimulate investment, economic diversification, and community revitalization in areas with population outmigration or a stagnating or declining economic base, or to determine whether housing benefits can be integrated more effectively with welfare reform initiatives: *Provided*, That these grants shall be provided in accordance with the terms and conditions specified in the joint explanatory statement of the managers accompanying this Act.

Of the amount made available under this heading, \$261,000,000 shall be available for grants for the Economic Development Initiative (EDI) to finance a variety

of targeted economic investments in accordance with the terms and conditions specified in the joint explanatory statement of the managers accompanying this Act.

The referenced statement of the managers under this heading in Public Law 107-73 is deemed to be amended with respect to the amount made available to the City of Rome, New York, by striking "related to the South Rome Industrial Park" and inserting "and building renovations at the Rome business and tech park".

The referenced statement of the managers under this heading in Public Law 107-73 is deemed to be amended with respect to a grant made available to the Community Medical Centers of Fresno, California by striking all after "\$300,000" and inserting "to the City of Fresno, California for rehabilitation of the Fresno Community Regional Medical Center neighborhood."

The referenced statement of the managers under this heading in Public Law 106-377 and 107-73 is deemed to be amended with respect to grants made to the City of Mt. Clemens, Michigan by striking "City of Mt. Clemens, Michigan" and inserting "Mt. Clemens Community Schools in Mt. Clemens, Michigan".

The referenced statement of the managers under the heading "Community development block grants" in title II of Public Law 105-277 is deemed to be amended by

striking "\$750,000 to the Maryland State Department of Housing and Community Development for relocation of residents of Wagners Point community in Baltimore, Maryland" and insert in lieu thereof "\$750,000 to the Maryland State Department of Housing and Community Development for relocation of residents of Wagners Point community in Baltimore, Maryland (\$514,000) and for recovery efforts that occurred on or after the April 28, 2002 tornado in Charles and Calvert Counties (\$236,000)".

The referenced statement of the ~~managers~~ <sup>(managers)</sup> under this heading in Public Law 107-73 is deemed to be amended with respect to a grant made to the Metropolitan Development Association in Syracuse, New York by adding after the words "Genesee Street Armory study" the words "and other development projects undertaken by the Association within the City of Syracuse".

#### COMMUNITY DEVELOPMENT LOAN GUARANTEES

##### PROGRAM ACCOUNT

##### (INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, \$6,325,000, to remain available until September 30, 2004, as authorized by section 108 of the Housing and Community Development Act of 1974, as amended: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974, as amended: *Provided further*, That these funds are

available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$275,000,000, notwithstanding any aggregate limitation on outstanding obligations guaranteed in section 108(k) of the Housing and Community Development Act of 1974, as amended.

In addition, for administrative expenses to carry out the guaranteed loan program, \$1,000,000, which shall be transferred to and merged with the appropriation for "Salaries and expenses".

#### BROWNFIELDS REDEVELOPMENT

For Economic Development Grants, as authorized by section 108(q) of the Housing and Community Development Act of 1974, as amended, for Brownfields redevelopment projects, \$25,000,000, to remain available until September 30, 2004: *Provided*, That the Secretary of Housing and Urban Development shall make these grants available on a competitive basis as specified in section 102 of the Department of Housing and Urban Development Reform Act of 1989.

#### HOME INVESTMENT PARTNERSHIPS PROGRAM

##### (INCLUDING TRANSFER OF FUNDS)

For the HOME investment partnerships program, as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, \$1,925,000,000, to remain available until September 30, 2005: *Provided*, That of the total amount provided in this

paragraph, up to \$40,000,000 shall be available for housing counseling under section 106 of the Housing and Urban Development Act of 1968; and no less than \$1,100,000 shall be transferred to the Working Capital Fund for the development of, maintenance of, and modification to information technology systems which serve programs or activities under "Community planning and development".

In addition to amounts otherwise made available under this heading, \$75,000,000, to remain available until September 30, 2005, for assistance to homebuyers as authorized under title II of the Cranston-Gonzalez National Affordable Housing Act, as amended: *Provided*, That the Secretary shall provide such assistance in accordance with a formula to be established by the Secretary that considers a participating jurisdiction's need for, and prior commitment to, assistance to homebuyers.

#### HOMELESS ASSISTANCE GRANTS

#### (INCLUDING TRANSFER OF FUNDS)

For the emergency shelter grants program as authorized under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act, as amended; the supportive housing program as authorized under subtitle C of title IV of such Act; the section 8 moderate rehabilitation single room occupancy program as authorized under the United States Housing Act of 1937, as amended, to assist

homeless individuals pursuant to section 441 of the McKinney-Vento Homeless Assistance Act; and the shelter plus care program as authorized under subtitle F of title IV of such Act, \$1,225,000,000, to remain available until September 30, 2005: *Provided*, That not less than 30 percent of funds made available, excluding amounts provided for renewals under the shelter plus care program, shall be used for permanent housing: *Provided further*, That all funds awarded for services shall be matched by 25 percent in funding by each grantee: *Provided further*, That the Secretary shall renew on an annual basis expiring contracts or amendments to contracts funded under the shelter plus care program if the program is determined to be needed under the applicable continuum of care and meets appropriate program requirements and financial standards, as determined by the Secretary: *Provided further*, That all awards of assistance under this heading shall be required to coordinate and integrate homeless programs with other mainstream health, social services, and employment programs for which homeless populations may be eligible, including Medicaid, State Children's Health Insurance Program, Temporary Assistance for Needy Families, Food Stamps, and services funding through the Mental Health and Substance Abuse Block Grant; Workforce Investment Act, and the Welfare-to-Work grant program:



*Provided further*, That \$11,000,000 of the funds appropriated under this heading shall be available for the national homeless data analysis project: *Provided further*, That \$6,600,000 of the funds appropriated under this heading shall be available for technical assistance: *Provided further*, That no less than \$1,500,000 of the funds appropriated under this heading shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve activities under "Community planning and development": *Provided further*, That of the total amount provided under this heading, \$10,000,000 shall be made available for a two-year demonstration program to be conducted in consultation with the Interagency Council on the Homeless to review and document the best practices of homeless programs. (grant)

## HOUSING PROGRAMS

### HOUSING FOR SPECIAL POPULATIONS

#### (INCLUDING TRANSFER OF FUNDS)

For assistance for the purchase, construction, acquisition, or development of additional public and subsidized housing units for low income families not otherwise provided for, \$1,033,801,000, to remain available until September 30, 2006: *Provided*, That \$783,286,000, plus recaptures or cancelled commitments, shall be for capital advances, including amendments to capital advance con-

tracts, for housing for the elderly, as authorized by section 202 of the Housing Act of 1959, as amended, and for project rental assistance for the elderly under section 202(c)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing, of which amount \$50,000,000 shall be for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects, and of which amount up to \$25,000,000 shall be for grants under section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) for conversion of eligible projects under such section to assisted living or related use: *Provided further*, That of the amount under this heading, \$250,515,000 shall be for capital advances, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section

811(b)(1) of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act: *Provided further*, That of the amount made available under this heading, \$25,000,000 shall be available to the Secretary of Housing and Urban Development only for making grants to private nonprofit organizations and consumer cooperatives for covering costs of architectural and engineering work, site control, and other planning relating to the development of supportive housing for the elderly that is eligible for assistance under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q): *Provided further*, That amounts made available in the previous proviso shall be awarded on a competitive basis as provided in section 102 of the Department of Housing and Urban Development Reform Act of 1989: *Provided further*, That the Secretary shall provide a report to the Committees on Appropriations of the House and Senate not later than July 1, 2003, in accordance with the direction included in the joint explanatory statement of the managers accompanying this Act: *Provided further*, That no less than \$500,000, to be divided evenly between the appropriations for the section 202 and section 811 programs, shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve activities under "Housing programs" or

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“Federal housing administration”: *Provided further*, That, in addition to amounts made available for renewal of tenant-based rental assistance contracts pursuant to the second proviso of this paragraph, the Secretary may designate up to 25 percent of the amounts earmarked under this paragraph for section 811 of such Act for tenant-based assistance, as authorized under that section, including such authority as may be waived under the next proviso, which assistance is 5 years in duration: *Provided further*, That the Secretary may waive the provisions governing the terms and conditions of project rental assistance and tenant-based rental assistance for such section 202 and such section 811, except that the initial contract term for such assistance shall not exceed 5 years in duration: *Provided further*, That all balances and recaptures, as of October 1, 2002, remaining in the “Congregate housing services” account as authorized by the Housing and Community Development Amendments of 1978, as amended, shall be transferred to and merged with the amounts for those purposes under this heading.

FLEXIBLE SUBSIDY FUND

(TRANSFER OF FUNDS)

From the Rental Housing Assistance Fund, all uncommitted balances of excess rental charges as of September 30, 2002, and any collections made during fiscal year 2003, shall be transferred to the Flexible Subsidy

Fund, as authorized by section 236(g) of the National Housing Act, as amended.

RENTAL HOUSING ASSISTANCE

(RESCISSION)

Up to \$100,000,000 of recaptured section 236 budget authority resulting from prepayment of mortgages subsidized under section 236 of the National Housing Act (12 U.S.C. 1715z-1) shall be rescinded in fiscal year 2003: *Provided*, That the limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 is reduced in fiscal year 2003 by not more than \$100,000,000 in uncommitted balances of authorizations of contract authority provided for this purpose in appropriations Acts.

MANUFACTURED HOUSING FEES TRUST FUND

For necessary expenses as authorized by the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended (42 U.S.C. 5401 et seq.), \$13,000,000, to remain available until expended, to be derived from the Manufactured Housing Fees Trust Fund: *Provided*, That not to exceed the total amount appropriated under this heading shall be available from the general fund of the Treasury to the extent necessary to incur obligations and make expenditures pending the receipt of collections to the Fund pursuant to section 620 of such Act: *Provided further*, That the amount made available

under this heading from the general fund shall be reduced as such collections are received during fiscal year 2003 so as to result in a final fiscal year 2003 appropriation from the general fund estimated at not more than \$0 and fees pursuant to such section 620 shall be modified as necessary to ensure such a final fiscal year 2003 appropriation.

FEDERAL HOUSING ADMINISTRATION

MUTUAL MORTGAGE INSURANCE PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

During fiscal year 2003, commitments to guarantee loans to carry out the purposes of section 203(b) of the National Housing Act, as amended, shall not exceed a loan principal of \$165,000,000,000.

During fiscal year 2003, obligations to make direct loans to carry out the purposes of section 204(g) of the National Housing Act, as amended, shall not exceed \$100,000,000: *Provided*, That the foregoing amount shall be for loans to nonprofit and governmental entities in connection with sales of single family real properties owned by the Secretary and formerly insured under the Mutual Mortgage Insurance Fund.

For administrative expenses necessary to carry out the guaranteed and direct loan program, \$347,829,000, of which not to exceed \$343,807,000 shall be transferred to the appropriation for "Salaries and expenses"; and not

to exceed \$4,022,000 shall be transferred to the appropriation for "Office of Inspector General". In addition, for administrative contract expenses, \$85,720,000, of which no less than \$21,360,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve programs or activities under "Housing programs" or "Federal housing administration": *Provided*, That to the extent guaranteed loan commitments exceed \$65,500,000,000 on or before April 1, 2003, an additional \$1,400 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments (including a pro rata amount for any amount below \$1,000,000), but in no case shall funds made available by this proviso exceed \$16,000,000.

GENERAL AND SPECIAL RISK PROGRAM ACCOUNT  
(INCLUDING TRANSFERS OF FUNDS)

For the cost of guaranteed loans, as authorized by sections 238 and 519 of the National Housing Act (12 U.S.C. 1715z-3 and 1735c), including the cost of loan guarantee modifications, as that term is defined in section 502 of the Congressional Budget Act of 1974, as amended, \$15,000,000, to remain available until expended: *Provided*, That these funds are available to-subsidize total loan principal, any part of which is to be guaranteed, of up to \$23,000,000,000.

Gross obligations for the principal amount of direct loans, as authorized by sections 204(g), 207(l), 238, and 519(a) of the National Housing Act, shall not exceed \$50,000,000, of which not to exceed \$30,000,000 shall be for bridge financing in connection with the sale of multi-family real properties owned by the Secretary and formerly insured under such Act; and of which not to exceed \$20,000,000 shall be for loans to nonprofit and governmental entities in connection with the sale of single-family real properties owned by the Secretary and formerly insured under such Act.

In addition, for administrative expenses necessary to carry out the guaranteed and direct loan programs, \$223,716,000, of which \$204,395,000, shall be transferred to the appropriation for "Salaries and expenses"; and of which \$19,321,000 shall be transferred to the appropriation for "Office of Inspector General".

In addition, for administrative contract expenses necessary to carry out the guaranteed and direct loan programs, \$93,780,000, of which no less than \$14,240,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems which serve activities under "Housing programs" or "Federal housing administration": *Provided*, That to the extent guaranteed loan commitments exceed



\$8,426,000,000 on or before April 1, 2003, an additional \$1,980 for administrative contract expenses shall be available for each \$1,000,000 in additional guaranteed loan commitments over \$8,426,000,000 (including a pro rata amount for any increment below \$1,000,000), but in no case shall funds made available by this proviso exceed \$14,400,000.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION  
GUARANTEES OF MORTGAGE-BACKED SECURITIES LOAN  
GUARANTEE PROGRAM ACCOUNT  
(INCLUDING TRANSFER OF FUNDS)

New commitments to issue guarantees to carry out the purposes of section 306 of the National Housing Act, as amended (12 U.S.C. 1721(g)), shall not exceed \$200,000,000,000, to remain available until September 30, 2004.

For administrative expenses necessary to carry out the guaranteed mortgage-backed securities program, \$10,343,000, to be derived from the GNMA guarantees of mortgage-backed securities guaranteed loan receipt account, of which not to exceed \$10,343,000, shall be transferred to the appropriation for "Salaries and expenses",

POLICY DEVELOPMENT AND RESEARCH  
RESEARCH AND TECHNOLOGY

For contracts, grants, and necessary expenses of programs of research and studies relating to housing and

urban problems, not otherwise provided for, as authorized by title V of the Housing and Urban Development Act of 1970, as amended (12 U.S.C. 1701z-1 et seq.), including carrying out the functions of the Secretary under section 1(a)(1)(i) of Reorganization Plan No. 2 of 1968, \$47,000,000, to remain available until September 30, 2004: *Provided*, That of the total amount provided under this heading, \$7,500,000 shall be for the Partnership for Advancing Technology in Housing (PATH) Initiative.

#### FAIR HOUSING AND EQUAL OPPORTUNITY

##### FAIR HOUSING ACTIVITIES

For contracts, grants, and other assistance, not otherwise provided for, as authorized by title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, and section 561 of the Housing and Community Development Act of 1987, as amended, \$45,899,000, to remain available until September 30, 2004, of which \$20,250,000 shall be to carry out activities pursuant to such section 561: *Provided*, That no funds made available under this heading shall be used to lobby the executive or legislative branches of the Federal Government in connection with a specific contract, grant or loan.

## OFFICE OF LEAD HAZARD CONTROL

## LEAD HAZARD REDUCTION

For the Lead Hazard Reduction Program, as authorized by section 1011 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, \$176,000,000, to remain available until September 30, 2004, of which \$10,000,000 shall be for the Healthy Homes Initiative, pursuant to sections 501 and 502 of the Housing and Urban Development Act of 1970 that shall include research, studies, testing, and demonstration efforts, including education and outreach concerning lead-based paint poisoning and other housing-related diseases and hazards: *Provided*, That of the total amount made available under this heading, \$50,000,000 shall be made available on a competitive basis for areas with the highest lead paint abatement needs, as identified by the Secretary as having: (1) the highest number of pre-1940 units of rental housing; and (2) a disproportionately high number of documented cases of lead-poisoned children: *Provided further*, That not less than 90 percent of the funds made available under this paragraph shall be used exclusively for abatement and interim control of lead-based hazards as defined by 42 U.S.C. 4851: *Provided further*, That each recipient of funds provided under the first proviso shall make a matching contribution in an amount not less than 25 percent:

Insert 57A

1 inspection,  
risk assessment,  
temporary relocation

57A

*Provided further,* That each grantee receiving funds under the previous proviso shall target those privately owned units and multifamily buildings that are occupied by low-income families as defined under section 3(b)(2) of the United States Housing Act of 1937:

57A

*Provided further,* That each ~~grantee~~ shall submit a detailed plan and strategy that demonstrates adequate capacity that is acceptable to the Secretary of the Department of Housing and Urban Development to carry out the proposed use of funds pursuant to a Notice of Funding Availability.

(applicant)

#### MANAGEMENT AND ADMINISTRATION

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFER OF FUNDS)

For necessary administrative and non-administrative expenses of the Department of Housing and Urban Development, not otherwise provided for, including purchase of uniforms, or allowances therefor, as authorized by 5 U.S.C. 5901-5902; hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and not to exceed \$25,000 for official reception and representation expenses, \$1,090,229,000, of which \$20,000,000 shall remain available until September 30, 2004, for funds control improvements; and of which \$548,202,000 shall be provided from the various funds of the Federal Housing Administration, \$10,343,000 shall be provided from funds of the Government National Mortgage Association, \$1,000,000 shall be provided from the "Community development loan guarantees program" account, \$150,000 shall be provided by transfer from the "Native American housing block grants" account, \$200,000 shall be provided by transfer from the

“Indian housing loan guarantee fund program” account and \$35,000 shall be transferred from the “Native Hawaiian housing loan guarantee fund” account: *Provided*, That funds made available under this heading shall only be allocated in the manner specified in the report accompanying this Act unless the Committees on Appropriations of both the House of Representatives and the Senate are notified of any changes in an operating plan or reprogramming: *Provided further*, That no less than \$10,500,000 shall be transferred to the Working Capital Fund for the development of and modifications to information technology systems: *Provided further*, That of the total amount made available under this heading, not less than \$21,000,000 is to be made available to the Chief Financial Officer exclusively for activities to implement appropriate funds control systems, including improvements in automated financial management systems, additional training of departmental employees in proper fund control procedures, and establishment of a division of appropriations law within the Office of the Chief Financial Officer: *Provided further*, That the Chief Financial Officer shall submit a revised departmental funds control handbook to the Committees on Appropriations of the House and Senate no later than 30 days after enactment of this Act: *Provided further*, That no official or employee of the Department shall be

designated as an allotment holder unless the Office of the Chief Financial Officer (OCFO) has determined that such allotment holder has implemented an adequate system of funds control and has received training in funds control procedures and directives: *Provided further*, That the Secretary shall, within 30 days of enactment of this Act, permanently transfer no fewer than four appropriations law attorneys from the Legislative Division of the Office of Legislation and Regulations, Office of General Counsel to the OCFO: *Provided further*, That personnel transferred pursuant to the previous proviso shall report directly to the Chief Financial Officer: *Provided further*, That, notwithstanding any other provision of law, hereafter, the Chief Financial Officer of the Department of Housing and Urban Development shall, in consultation with the Budget Officer, have sole authority to investigate potential or actual violations under the Anti-Deficiency Act (31 U.S.C. 1341 et seq.) and all other statutes and regulations related to the obligation and expenditure of funds made available in this, or any other Act; shall determine whether violations exist; and shall submit final reports on violations to the Secretary, the President, the Office of Management and Budget and the Congress in accordance with applicable statutes and Office of Management and Budget circulars: *Provided further*, That the Chief Financial Officer